

From: Joelle Burns
To: S054bbm@zionsbank.com
Date: 8/19/03 1:53PM
Subject: Western Clay - Redmond Limestone Quarry - M/041/004

Bob Miller
Zions Bank
Salina, Utah

Hello Bob:

The Irrevocable Standby Letter of Credit # _____ has a sentence in that our attorney will not accept. It is the last sentence in the #2 paragraph. The sentence says, "In no event shall this Letter of Credit be extended beyond December 31, 2008 (Final Expiration date)." **That sentence needs to be stricken from the LOC.**

In essence, the LOC is being canceled at the same time that it is being issued. It puts the burden on the Division to keep track of the cancellation date.

The 1st part of this paragraph states that the LOC will be automatically extended unless the bank gives 90 days notice that it elects not to renew the LOC. The Division needs to receive notification of cancellation 90 days prior to expiration - not receive it five years early.

In our phone conversation today you informed me that you would have the correction made or a new LOC issued, possibly this p.m. or tomorrow a.m.

Thank you for your help in resolving this matter expeditiously.

Joelle Burns
Engineering Tech
Division of Oil, Gas and Mining